TRANSLATION

Bank Zachodni WBK S.A.

Opinion and Report of the Independent Auditor
Financial Year ended
31 December 2007

KPMG Audyt Sp. z o.o.
The opinion contains 2 pages
The report supplementing the auditor's opinion
contains 11 pages
Opinion of the independent auditor
and report supplementing the auditor's opinion
on the unconsolidated financial statements
for the financial year ended
31 December 2007

This document is a free translation of the Polish original. Terminology current in Anglo-Saxon countries has been used where practicable for the purposes of this translation in order to aid understanding. The binding Polish original should be referred to in matters of interpretation.

OPINION OF THE INDEPENDENT AUDITOR

To the General Meeting of Shareholders of Bank Zachodni WBK S.A.

We have audited the accompanying unconsolidated financial statements of Bank Zachodni WBK S.A. seated in Wrocław, ul. Rynek 9/11, 50-950 Wrocław ("the Bank"), which comprise the balance sheet as at 31 December 2007, with total assets of and total liabilities and equity of PLN 39.195.247 thousand, the profit and loss account for the year then ended with a net profit of PLN 809.474 thousand, the statement of changes in equity for the year then ended with an increase in equity of PLN 237.525 thousand, the cash flow statement for the year then ended with an increase in cash amounting to PLN 682.758 thousand, and notes to the financial statements, comprising of a summary of significant accounting policies and other explanatory notes.

Management's Responsibility for the Financial Statements

Management of the Bank is responsible for the accuracy of the accounting records and the preparation and fair presentation of these unconsolidated financial statements in accordance with International Financial Reporting Standards, as adopted by European Union and with other applicable regulations. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatements, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

Our responsibility, based on our audit, is to express an opinion on these unconsolidated financial statements, and whether the financial statements are derived from properly maintained accounting records. We conducted our audit in accordance with section 7 of the Accounting Act dated 29 September 1994 (Official Journal from 2002, No. 76, item 694 with amendments) ("the Accounting Act"), the professional standards established by the Polish National Council of Certified Auditors and International Standards on Auditing. Those standards require that we comply with relevant ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements and the accounting records from which they are derived are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on our judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting principles used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the accompanying unconsolidated financial statements of Bank Zachodni WBK S.A. have been prepared and present fairly in all material respects the financial position of the Bank as at 31 December 2007 and the results of its operations and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union, are in compliance with the respective regulations and the provisions of the Bank's Statute that apply to the Bank's unconsolidated financial statements and have been prepared from accounting records that in all material respects have been properly maintained.

Other Matters

As required under the Accounting Act we also report that the Report on the Bank's activities includes, in all material respects, the information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 October 2005 on current and periodic information provided by issuers of securities (Official Journal from 2005, No 209, item 1744) and the information is consistent with the unconsolidated financial statements.

Signed on the Polish original

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Certified Auditor No. 9941/7390
Bożena Graczyk

Signed on the Polish original

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For KPMG Audyt Sp. z o.o.
ul. Chłodna 51; 00-867 Warsaw
Certified Auditor No. 9941/7390
Bożena Graczyk,
Member of the Management Board

Signed on the Polish original

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For KPMG Audyt Sp. z o.o.
ul. Chłodna 51; 00-867 Warsaw
Richard Cysarz, Member of the Management Board

Warsaw, 15 February 2008

TRANSLATION

Bank Zachodni WBK S.A.

Report supplementing the auditor's opinion on the unconsolidated financial statements
Financial Year ended 31 December 2007

KPMG Audyt Sp. z o.o.
The report supplementing the auditor's opinion contains 11 pages
Report supplementing the auditor's opinion on the unconsolidated financial statements for the financial year ended 31 December 2007

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Contents

1 General

1.1 General information about the Bank

1.1.1 Company name

Bank Zachodni WBK S.A.

1.1.2 Registered office

Ul. Rynek 9/11
50-950 Wrocław

1.1.3 Registration in the National Court Register

Registration court:	District Court in Wrocław, VI Commercial Department of the National Court Register
Date:	04/27/2001
Registration number:	KRS 0000008723

1.1.4 Tax Office and Provincial Statistical Office registration

NIP number:	896-000-56-73
REGON:	930041341

1.2 Auditor information

Name:	KPMG Audyt Sp. z o.o.
Registered office:	Warsaw,
Address:	ul. Chłodna 51, 00-867 Warsaw
Registration number.:	KRS 0000104753
Registration court:	District Court for the Capital City Warsaw in Warsaw, XII Commercial Department of the National Court Register;
Share capital:	PLN 125,000
NIP number:	526-10-24-841

KPMG Audyt Sp. z o.o. is entered in the register of entities authorised to audit financial statements under number 458.

1.3 Legal status

1.3.1 Share capital

Parent entity was established on 13 June 2001 for an indefinite period as a result of a merger of Bank Zachodni S.A. and Wielkopolski Bank Kredytowy S.A. under Resolution No 30/KNB/01 of Commission of Banking Supervision dated 7 March 2001.

The share capital of the Bank amounted to PLN 729.602.840 as at 31 December 2007 divided into 72.960.284 ordinary shares with a nominal value of PLN 10 each.

As at 31 December 2007, the shareholder structure was as follows:

Name of the Shareholder	Number of shares	Voting rights (%)	Nominal value of shares PLN '000	Percentage of share capital (%)
AIB European Investments Limited	51 413 790	70.5%	514 138	70.5%
Other shareholders	21 546 494	29.5%	215 465	29.5%
	72 960 284	100.0%	729 603	100.0%

1.3.2 Related parties

The Bank is a member of the Bank Zachodni WBK S.A. Group.

1.3.3 Management of the Company

The Management Board is responsible for management of the Bank.

At 31 December 2007, the Management Board of the Bank comprised the following members:

- Mateusz Morawiecki – President
- Andrzej Burliga – Board Member
- Declan Flynn – Board Member
- Michał Gajewski – Board Member
- Justyn Konieczny – Board Member
- Janusz Krawczyk – Board Member
- Jacek Marcinowski – Board Member
- James Murphy – Board Member
- Marcin Prell – Board Member
- Feliks Szyszkowiak – Board Member

In comparison to 12/31/2006 changes were as follows:

- Former President Mr. Jacek Kseń retired from his position on 30 April 2007.
- On 3 March 2007 Supervisory Board nominated Mr. Mateusz Morawiecki as the new President. Mr. Mateusz Morawiecki formally took office on 16 May 2007 following the approval of his nomination by the Banking Supervisory Commission.
- On 24 July 2007 Andrzej Burliga was appointed Management Board Member.

1.3.4 Scope of activities

The business activities listed in the Bank's Statute include the following:

- receiving and maintaining current and term deposits, including accepting and placing cash deposits in domestic and foreign banks,
- maintaining other bank accounts,
- granting loans,
- granting and confirming guarantees and letters of credit,
- issuing banking securities,
- performing cash settlements,
- issue of electronic money instrument,
- granting cash advances,
- performing cheque and bill of exchange operations,
- issuing payment cards and processing card operations,
- performing term financial operations,

- trading in receivables,
- safekeeping of goods and securities as well as providing access to safe deposit-boxes,
- agency services in making money transfers and settlements in foreign currency payments,
- granting civil law guarantees,
- performing operations related to the issue of securities,
- acting as the representative of bond holders,
- purchase and sale of foreign exchange values.

Additionally the parent entity is illegible to perform the following activities:

- acquiring shares, rights from shares and participations of another corporate entity and contributions to limited partnerships or limited joint stock partnerships, or units and investment certificates in investment funds; making contributions to limited liability companies within the limits specified by the Banking Law,
- incurring liabilities related to the issue of securities,
- trading in securities on Bank's own account or on other parties' account,
- exchanging debts for debtor's assets,
- acquiring and disposing of real estates and debts secured by a mortgage,
- providing consultancy and advisory services in relation to financial matters,
- providing certification services in line with regulations on an electronic signature, excluding qualified certificates,
- providing other financial services,
- selling pension funds,
- acting as a depositary under the definition of organization and functioning of pension funds act,
- acting as a depositary under the definition of investment funds act,
- acting as sales agent of insurance, leasing, factoring, forfeiting and franchising products.

Additionally the parent entity may perform the above activities on the instruction of another bank. In accordance with the parent entity's strategy, it may also cooperate with the domestic, foreign and international banks and financial institutions and perform services of transportation of goods.

1.4 Prior period financial statements

The unconsolidated financial statements for the period ended 31 December 2006 were audited by KPMG Audyt Sp. z o.o. and received an unqualified opinion.

The unconsolidated financial statements were approved at the General Shareholder Meeting on 19 February 2007 where it was resolved to allocate the profit for the prior financial year of PLN 592.795 ths. as follows:

- 437.762 ths – dividend payout,
- 155.033 ths – reserve capital.

The closing balances as at 31 December 2006 have been properly recorded as the opening balances of the audited year.

The unconsolidated financial statements were submitted to the Registry Court on 30 April 2007 and were published in Monitor Polski B No. 1245 on 19 July 2007 on the position 7192.

1.5 Audit scope and responsibilities

This report was prepared for the General Shareholders Meeting of Bank Zachodni WBK S.A. seated in Wrocław, ul. Rynek 9/11, 50-950 Wrocław and relates to the unconsolidated financial statements comprising: the balance sheet as at 31 December 2007 with total assets and total liabilities and equity of PLN 39.195.247 thousand, the profit and loss account for the year then ended of PLN 809.474 thousand, the statement of changes in equity for the year then ended with an increase in equity of PLN 237.525 thousand, the cash flow statement for the year then ended with an increase in cash amounting to PLN 682.758 thousand and notes to the financial statements, comprising of a summary of significant accounting policies and other explanatory notes.

The audited Bank prepares its unconsolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union on the basis of the decision of General Shareholders Meeting dated 17 December 2004.

The unconsolidated financial statements have been audited in accordance with the contract dated 19 October 2007, concluded on the basis of the resolution of Bank Zachodni WBK S.A. Supervisory Board dated 20 June 2007 on the appointment of the auditor.

We conducted the audit in accordance with section 7 of the Accounting Act, the professional standards established by the Polish National Council of Certified Auditors and International Standards on Auditing.

We audited the unconsolidated financial statements in the Bank's head office and branches during the period from 15 October 2007 to 15 February 2008.

Management of the Bank is responsible for the accuracy of the accounting records and the preparation and fair presentation of the unconsolidated financial statements in accordance with International Financial Reporting Standards as adopted by the European Union, and with other applicable regulations.

Our responsibility is to express an opinion, and to prepare a supplementing report, on the unconsolidated financial statements, and whether the unconsolidated financial statements are derived from properly maintained accounting records, based on our audit.

Management of the Bank submitted a statement dated the same date as this report as to the true and fair presentation of the unconsolidated financial statements presented for audit, which confirmed that there were no undisclosed matters which could significantly influence the information presented in the unconsolidated financial statements.

All our requests for additional documents and information necessary for expressing our opinion and preparing the report have been fulfilled.

KPMG Audyt Sp. z o.o., the members of its Management Board and Supervisory Board and other persons involved in the audit of the unconsolidated financial statements of the Bank fulfill independence requirements. The scope of the work planned and performed has not been limited in any way. The method and scope of our audit is detailed in working papers prepared by us and retained in the offices of KPMG Audyt Sp. z o.o.

2 Financial analysis of the Bank

2.1 Summary of the unconsolidated financial statements

2.1.1 Balance sheet

ASSETS	31.12.2007 PLN '000	% of total	31.12.2006 PLN '000	% of total
Cash and balances with central bank	2 206 259	5.6	1 534 469	4.9
Loans and advances to banks	2 563 755	6.5	3 149 267	10.1
Financial assets held for trading	1 148 659	2.9	1 048 010	3.3
Hedging derivatives	41 410	0.1	19 956	0.1
Loans and advances to customers	22 150 633	56.6	16 172 354	51.5
Investment securities	9 698 307	24.7	7 993 770	25.5
Investment in associates	155 967	0.4	186 318	0.6
Intangible assets	102 906	0.3	127 101	0.4
Property, plant and equipment	528 027	1.4	483 594	1.5
Current income tax due	37 950	0.1	947	0.1
Deferred tax assets	312 700	0.8	346 508	1.1
Other assets	248 674	0.6	270 724	0.9
TOTAL ASSETS	**39 195 247**	**100.0**	**31 333 018**	**100.0**

LIABILITIES	31.12.2007 PLN '000	% of total	31.12.2006 PLN '000	% of total
Liabilities				
Deposits from banks	3 145 395	8.9	1 960 144	7.1
Hedging Derivatives	7 613	0.1	12 912	0.1
Financial liabilities held for trading	1 000 787	2.8	246 875	0.9
Deposits from customers	30 264 734	85.6	24 481 996	88.2
Debt securities in issue	99 348	0.3	95 897	0.4
Deferred tax liabilities	188 620	0.5	282 196	1.0
Other liabilities	637 981	1.8	639 754	2.3
Total liabilities	**35 344 478**	**100.0**	**27 719 774**	**100.0**
Equity				
Share capital	729 603	19.0	729 603	20.2
Other reserve funds	1 951 251	50.6	1 785 744	49.4
Revaluation reserve	360 441	9.4	505 102	14.0
Profit of the current period	809 474	21.0	592 795	16.4
Total equity	**3 850 769**	**100.0**	**3 613 244**	**100.0**
TOTAL EQUITY AND LIABILITIES	**39 195 247**	**100.0**	**31 333 018**	**100.0**

2.1.2 Profit and loss account

	1.01.2007 - 31.12.2007 PLN '000	1.01.2006 - 31.12.2006 PLN '000
Interest and similar income	1 957 840	1 533 606
Interest expense and similar charges	(775 402)	(576 249)
Net interest income	**1 182 438**	**957 357**
Fee and commission income	1 000 083	871 979
Fee and commission expense	(81 502)	(60 323)
Net fee and commission income	**918 581**	**811 656**
Dividend income	177 978	98 712
Net trading income and revaluation	52 271	27 062
Gains (losses) from other financial securities	(25 784)	11 661
Gains (losses) from investment in subsidiaries and associates	12 735	14 717
Other operating income	38 459	32 088
Impairment losses on loans and advances	565	(26 126)
Bank's staff, operating expenses and management costs	(1 224 905)	(995 781)
Depreciation/amortization	(127 264)	(153 008)
Other operating expenses	(26 044)	(33 176)
Operating profit	**979 030**	**745 162**
Profit before income tax	**979 030**	**745 162**
Income tax expense	(169 556)	(152 367)
PROFIT FOR THE PERIOD	**809 474**	**592 795**
Basic earnings per share (PLN)	11.09	8.13
Diluted earnings per share (PLN)	11.07	8.12

2.2 Selected financial ratios

	2007	2006	2005
Total assets	39 195 247	31 333 018	27 891 348
Gross profit	979 030	745 162	559 803
Net profit	809 474	592 795	446 223
Shareholders' equity *	3 041 294	3 020 449	2 742 707
Return on equity	26.6%	19.6%	16.3%
Capital adequacy ratio	11.4%	13.8%	15.1%
Receivables to total assets	63.1%	61.7%	59.2%
Income generating assets to total assets	91.1%	91.1%	92.5%
Interest bearing liabilities to total liabilities	88.0%	85.5%	85.0%

** excluding current-year net profit*

2.3 Interpretation of selected financial ratios

In comparison to previous year, total assets grew by 25.1%. During the year the largest growths within assets were in: loans and advances to customers and investment securities. On the liabilities side the largest increase was in the amounts due to clients.

Profit before tax for the year 2007 increased by 31.4% compared to previous year. The following items had an impact on the current year financial result: an increase of interest income and fee and commission income, increase on dividend income and a decrease of impairment losses on loans and advances and a decrease of depreciation/amortization.

3 Detailed report

3.1 Proper operation of the accounting system

The Bank maintains current documentation describing the applied accounting principles, adopted by the Management Board, to the extent required by Art. 10 of the Accounting Act.

During the audit of the financial statements, we tested, on a sample basis, the operation of the accounting system. Our assessment covered in particular:

- appropriateness and consistency of the accounting principles used,
- correctness of the documentation of business transactions,
- fairness, accuracy and verifiability of the books of account, including the matching of accounting entries with supporting documentation and the financial statements,
- compliance of the adopted policies relating to safeguarding of accounting records, books of account and the financial statements with the Accounting Act.

On the basis of the work performed we have not identified material irregularities in the accounting system which have not been corrected and that could have a material impact on the financial statements. Our audit was not conducted for the purpose of expressing a comprehensive opinion on the operation of the accounting system.

3.2 Verification of assets and liabilities

The Bank performed a verification of assets and liabilities and in accordance with the requirements and time frame specified in Art. No. 26 of the Accounting Act.

Count differences have been recorded in the period covered by the unconsolidated financial statements.

3.3 Compliance with banking regulations

Based on our audit we have not identified any significant deviations in the bank's compliance with the banking regulatory norm pertaining among other to loan concentration, obligatory reserve and capital adequacy ratio.

3.4 Audit materiality

We have planned and applied an appropriate level of precision in conducting our audit procedures in order to obtain reasonable assurance about whether the unconsolidated financial statements taken as a whole are free of material misstatements.

3.5 Notes to the financial statements

All information included in the notes to the unconsolidated financial statements, comprising of a summary of significant accounting policies and other explanatory notes, is, in all material respects, presented accurately and completely. This information should be read in conjunction with the financial statements taken as a whole.

3.6 Report on the Bank's activities

The Report on the Bank's activities includes, in all material respects, information required by Art. 49 of the Accounting Act and by the Decree of the Ministry of Finance dated 19 October 2005 on current and periodic information provided by issuers of securities (Official Journal from 2005, No 209, item 1744) and the information is consistent with the unconsolidated financial statements.

3.7 Information on the opinion of the independent auditor

Based on our audit of the unconsolidated financial statements as at and for the year ended 31 December 2007, we have issued an unqualified opinion.

Signed on the Polish original

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Certified Auditor No. 9941/7390
Bożena Graczyk

Signed on the Polish original

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For KPMG Audyt Sp. z o.o.
ul. Chłodna 51; 00-867 Warsaw
Certified Auditor No. 9941/7390
Bożena Graczyk,
Member of the Management Board

Signed on the Polish original

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For KPMG Audyt Sp. z o.o.
ul. Chłodna 51; 00-867 Warsaw
Richard Cysarz, Member of the Management Board

Warsaw, 15 February 2008